

Message Text

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ORIGIN EA-03

INFO OCT-01 ISO-00 /004 R

66651

DRAFTED ZY:EA/TB:VLTOMSETH

APPROVED BY:EA/TB:GBROBERTS

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TO CINCPAC

C O N F I D E N T I A L STATE 012468

FOLLOWING REPEAT SECSTATE 012468 BANGKOK 28 JAN 75

QUOTE C O N F I D E N T I A L STATE 012467

E.O. 11652: GDS

TAGS: MARR, TH

SUBJECT: TAX RELIEF FOR DOD CONTRACTORS

REF: A. BANGKOK 19047; B. MACTHAI 140620Z DEC 74;

C. BANGKOK 19645; D. MACTHAI 240620Z DEC 74

1. BEGIN CONFIDENTIAL: WE APPRECIATE KRIANGSAK'S
REPRIEVE ON THE DEADLINE FOR SHIFTING THE THREE SERVICE
CONTRACTS TO THAIS ENTITIES (REF B). WE ARE ALSO GRATIFIED
THAT THE FOREIGN MINISTER HAS BEEN INVOLVED, AND ENCOURAGED
BY HIS POSITIVE INITIAL REACTION. HOWEVER, WE BELIEVE WE
MUST ACHIEVE A DECISIVE BREAKTHROUGH ON THE TAX ISSUE AT A
FAIRLY EARLY DATE IF WE ARE TO AVOID BEING CONFRONTED BY
ANOTHER DEADLINE FROM WHICH THER MAY BE LITTLE CHANCE OF
REPRIEVE. WE ALSO, FROM A CAREFUL READING OF REFTELS, CON-
CLUDE THAT THE ENTIRE SUBJECT MUST BE RAISED AT THE HIGHEST
LEVEL OF THE RTG. WE RECOGNIZE THERE ARE CERTAIN RISKS
INVOLVED IN SUCH A COURSE OF ACTION BUT WE ARE OBLIGED TO
RECEIVE SATISFACTION ON THE ISSUE. THEREFORE, UNLESS YOU
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PERCEIVE STRONG OBJECTION, YOU SHOULD DELIVER THE LETTER
AND ENCLOSED DRAFT TAX AGREEMENT WHICH FOLLOW BELOW TO PRIME
MINISTER SANYA OR HIS SUCCESSOR AS SOON AS POSSIBLE. WE
LEAVE TO YOUR DISCRETION THE TIMING OF THE PRESENTATION OF

THE LETTER IN VIEW OF THE IMMINENCE OF ELECTIONS, BUT BELIEVE IT SHOULD NOT BE TOO LONG DELAYED. END CONFIDENTIAL.

2. BEGIN UNCLASSIFIED: BEGIN TEXT OF LETTER:

DEAR MR. PRIME MINISTER: THE CONTINUING COOPERATION OF THE ROYAL THAI GOVERNMENT WITH THE UNITED STATES GOVERNMENT REGARDING THE DEPLOYMENT OF VISITING UNITED STATES

MILITARY FORCES IN THAILAND IN PURSUIT OF OUR COMMON SECURITY INTERESTS IN SOUTHEAST ASIA HAS BEEN MOST GRATIFYING TO MY GOVERNMENT. AS THE PRESIDENT NOTED IN HIS MESSAGE SENT TO YOUR EXCELLENCY (OR "PRIME MINISTER SANYA", IF LETTER IS SENT TO SANYA'S SUCCESSOR) ON THE OCCASION OF HIS ASSUMPTION OF OFFICE THIS PAST AUGUST, HE PERSONALLY IS ESPECIALLY CONSCIOUS OF THAILAND'S CONTRIBUTIONS RELATED TO THE CONFLICTS IN INDOCHINA, INCLUDING YOUR COUNTRY'S AGREEMENT TO ALLOW UNITED STATES MILITARY FORCES TO BE STATIONED HERE.

THERE IS, HOWEVER, ONE ASPECT OF OUR MILITARY PRESENCE AND ACTIVITIES IN THAILAND WHICH IS OF CONSIDERABLE CONCERN TO MY GOVERNMENT. AS YOUR EXCELLENCY IS AWARE, THERE IS NO STATUS OF FORCES AGREEMENT BETWEEN THAILAND AND THE UNITED STATES WHICH WOULD OTHERWISE GOVERN THE CONDUCT OF THE VAST MAJORITY OF UNITED STATES FORCES AND MILITARY ACTIVITIES, INCLUDING QUESTIONS OF TAXATION ASSOCIATED WITH OUR MILITARY FORCES AND ACTIVITIES, IN THAILAND. NONETHELESS, UNDER INFORMAL ARRANGEMENTS BETWEEN OUR TWO GOVERNMENTS, THE ROYAL THAI GOVERNMENT GRANTED FOR MANY YEARS A LARGE MEASURE OF EXEMPTION FROM THAI TAXES TO ACTIVITIES ASSOCIATED WITH OUR MILITARY PRESENCE, THEREBY CONFORMING TO THE WORLDWIDE PRACTICE FOLLOWED BY OTHER ALLIES UNDER FORMAL AGREEMENTS AND CONFIDENTIAL

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PROVISIONS OF LAW.

IN EARLY 1973 THE THAI SUPREME COMMAND HEADQUARTERS RAISED THE POSSIBILITY OF MAKING GREATER USE OF THAI FIRMS IN CONTRACTS LED BY THE UNITED STATES DEPARTMENT OF DEFENSE TO SUPPORT OUR MILITARY PRESENCE AND ACTIVITIES IN THAILAND. IN RESPONSE TO THAT REQUEST, THE DEPARTMENT OF DEFENSE IN APRIL 1973 EXEMPTED THAILAND FROM RESTRICTIONS DESIGNED TO PROTECT OUR INTERNATIONAL BALANCE OF PAYMENTS POSITION SO THAT THAI FIRMS MIGHT OBTAIN A GREATER SHARE OF THE DEPARTMENT OF DEFENSE'S CONTRACT BUSINESS IN THAILAND. BY JUNE 1974 THAI FIRMS

HELD APPROXIMATELY \$100 MILLION IN CONTRACTS, A MORE THAN TEN-FOLD INCREASE IN LESS THAN A YEAR AND A HALF.

MY GOVERNMENT WAS RESPONSIVE TO THIS THAI REQUEST IN THE CLEAR AND EXPRESS EXPECTATION THAT THE US GOVERNMENT WOULD RECEIVE TAX RELIEF ON ITS DEFENSE CONTRACTS WITH THAI FIRMS COMPARABLE TO THE TAX RELIEF ENJOYED ON ITS CONTRACT; WITH US FIRMS. UNFORTUNATELY, THIS HAS NOT BEEN THE CASE. COSTS INCURRED BY THE DEPARTMENT OF DEFENSE IN SUPPORTING THE UNITED STATES MILITARY PRESENCE AND ACTIVITIES IN THAILAND HAVE BEEN INCREASED BY SEVERAL MILLIONS OF DOLLARS ANNUALLY AS A RESULT.

IT IS THE POLICY OF MY GOVERNMENT TO SEEK TO THE MAXIMUM EXTENT PRACTICABLE RELIEF FROM ALL FOREIGN TAXES WHEREVER THE ULTIMATE ECONOMIC BURDEN OF THOSE TAXES WOULD, IN THE ABSENCE OF SUCH RELIEF, BE DEMONSTRABLY BORNE BY FUNDS APPROPRIATED BY THE UNITED STATES CONGRESS AND EXPENDED ON UNITED STATES DEFENSE ACTIVITIES WHICH, IN A COLLECTIVE SENSE, ARE CONDUCTED IN THE INTEREST OF THE COMMON DEFENSE OR OTHERWISE SIGNIFICANTLY IMPROVE THE MILITARY SECURITY OF THE COUNTRIES INVOLVED. THE PRINCIPLE UNDERLYING THIS POLICY--THAT ALLIED TREASURIES SHOULD NOT PROFIT AT THE EXPENSE OF THE AMERICAN TAXPAYER FROM EXPENDITURES MADE FOR THE COMMON DEFENSE--HAS BEEN RECOGNIZED BY THE GOVERNMENT OF EVERY COUNTRY IN WHICH THE UNITED STATES MAINTAINS SIGNIFICANT NUMBERS OF MILITARY FORCES EXCEPT THE ROYAL THAI GOVERNMENT.
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ON APRIL 18, 1974, SUPREME COMMAND HEADQUARTERS WROTE TO THE COMMANDER OF THE UNITED STATES MILITARY ASSISTANCE COMMAND, THAILAND, THAT THE CABINET HAD RECENTLY MADE A DECISION IN PRINCIPLE TO WITHDRAW THE TAX EXEMPT PRIVILEGES ENJOYED BY UNITED STATES-INVITED CONTRACTORS UNDER THE PROVISIONS OF NATIONAL EXECUTIVE COUNCIL DECREE NO. 79. IN THE MONTHS SINCE RECEIPT OF THAT LETTER WE HAVE ENGAGED IN NUMEROUS CONVERSATIONS WITH SUPREME COMMAND HEADQUARTERS IN AN ATTEMPT TO REACH A COMPROMISE WHICH WOULD RECOGNIZE THE THAI DESIRE TO SHIFT THE THREE MAJOR SERVICE CONTRACTS STILL REMAINING IN THE HANDS OF AMERICAN FIRMS TO THAI ENTITIES BUT WHICH WOULD ALSO RECOGNIZE THAT ALL FIRMS, WHATEVER THEIR NATIONALITY OF REGISTRATION, SHOULD NOT BE SUBJECT TO TAXATION ON CONTRACTS LET BY THE DEPARTMENT OF DEFENSE IN FURTHERANCE OF MUTUAL SECURITY OBJECTIVES WHEN SUCH TAXES WOULD ULTIMATELY BE BORNE BY THE AMERICAN TAXPAYER. WE HAVE ALSO BRIEFED FROM TIME TO TIME THE MINISTRY OF

FOREIGN AFFAIRS ON THE PROGRESS OF THESE DISCUSSIONS AND HAVE SOUGHT THAT MINISTRY'S ASSISTANCE IN EXPLAINING TO SUPREME COMMAND HEADQUARTERS THE IMPORTANCE WE ATTACH

TO THE PRINCIPLE OF TAX EXEMPTION FOR DEPARTMENT OF
DEFENSE CONTRACTORS.

THESE DISCUSSIONS HAVE BEEN SUCCESSFUL TO THE EXTENT
THAT BOTH SIDES HAVE AGREED IN PRINCIPLE THAT THE THREE
SERVICE CONTRACTS CAN BE SHIFTED TO THAI-REGISTERED
ENTITIES UPON THE EXPIRATION OF THE CURRENT CONTRACTS
(I.E., AS OF JUNE 30, 1975, IN TWO INSTANCES AND
AUGUST 31, 1975, IN THE OTHER) AND THAT CERTAIN HIGHLY
SPECIALIZED TECHNICAL FUNCTIONS MUST CONTINUE TO BE
PERFORMED BY NON-THAI FIRMS AND NATIONALS SINCE FOR THE
FORESEEABLE FUTURE THERE WILL BE NO THAI CAPABILITY TO
ASSUME THESE FUNCTIONS. HOWEVER, IT IS A MATTER OF
CONSIDERABLE DISAPPOINTMENT TO MY GOVERNMENT THAT LITTLE
PROGRESS HAS BEEN MADE REGARDING OUR DESIRE FOR TAX
RELIEF FOR ALL FIRMS, IRRESPECTIVE OF NATIONAL REGISTRA-
TION, HOLDING DEPARTMENT OF DEFENSE CONTRACTS. SUPREME
COMMAND HEADQUARTERS INSISTS THAT ALL THAI-REGISTERED
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FIRMS, WHICH ALREADY HOLD A LARGE SHARE OF OUR CONTRACT
BUSINESS IN THAILAND, ARE SUBJECT TO THAI TAXES AND HAS
INDICATED THAT IT IS NOT WITHIN THAT HEADQUARTER'S POWER
TO PROVIDE TAX RELIEF TO THOSE FIRMS.

OUR DISCUSSIONS WITH MINISTRY OF FOREIGN AFFAIRS HAVE NOT
BEEN NOTABLY MORE SUCCESSFUL. IN A RECENT CONVERSATION
WITH THE MINISTER OF FOREIGN AFFAIRS (OR "THE PREVIOUS
MINISTER OF FOREIGN AFFAIRS" IF CHARUNPHAN NO LONGER
HOLDS THE OFFICE WHEN THE LETTER IS SENT), THE MINISTER
AGREED IN PRINCIPLE THAT UNITED STATES CONTRACTORS FOR
MUTUAL DEFENSE PURPOSES SHOULD NOT BE TAXED AND UNDERTOOK
TO PURSUE THE FULL IMPLICATIONS OF THAI PRINCIPLE WITH
OTHER ELEMENTS OF THE ROYAL THAI GOVERNMENT. WE REGARD
THIS A MOST ENCOURAGING SIGN BUT IT IS ONLY THE FIRST
STEP TOWARD ACCEPTANCE BY THE ROYAL THAI GOVERNMENT
OF A PRINCIPLE RECOGNIZED BY ALL OF OUR ALLIES EXCEPT
THAILAND. WHILE MY GOVERNMENT EARNESTLY HOPES THAT THE
MINISTER OF FOREIGN AFFAIRS EFFORTS (OR "THE FORMER
MINISTER OF FOREIGN AFFAIRS' INITIATIVE") WILL BEAR FRUIT,
IT IS ESSENTIAL THAT THERE BE AN EXPEDITION RESOLUTION
OF THE CURRENT IMPASSE ON TAX RELIEF FOR ALL FIRMS HOLD-
ING CONTRACTS LET BY THE DEPARTMENT OF DEFENSE IN THAILAND
IN FURTHERANCE OF THE COMMON DEFENSE. UNTIL THIS CAN BE
ACCOMPLISHED MY GOVERNMENT WILL NOT BE PREPARED TO
AUTHORIZE THE DEPARTMENT OF DEFENSE TO SEEK BIDS FROM
THAI ENTITIES ON THE THREE SERVICE CONTRACTS CURRENTLY

HELD BY AMERICAN FIRMS.

AS NOTED ABOVE, THESE CONTRACTS ARE DUE TO EXPIRE IN
MID-1975 AND SEVERAL MONTHS WILL BE REQUIRED TO EXAMINE

BIDS AND AWARD NEW CONTRACTS. THUS, IN ORDER TO BE RESPONSIVE TO THE ROYAL THAI GOVERNMENT'S DESIRE TO SHIFT THESE CONTRACTS TO THAI ENTITIES, MY GOVERNMENT NEEDS AN EARLY INDICATION THAT YOUR GOVERNMENT IS PREPARED TO RECOGNIZE THE PRINCIPLE OF TAX RELIEF FOR FIRMS HOLDING DEPARTMENT OF DEFENSE CONTRACTS AND TO NEGOTIATE THE DETAILS OF IMPLEMENTATION OF SUCH TAX RELIEF. THE ONLY ALTERNATIVE, IN OUR VIEW, WOULD BE TO HAVE THE FUNCTIONS CURRENTLY PERFORMED BY THE THREE
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AMERICAN FIRMS ASSUMED BY UNITED STATES SERVICEMEN. THIS WOULD BE CONTRARY TO THE LONG-STANDING POLICIES OF BOTH OUR GOVERNMENTS TO KEEP TO AN ABSOLUTE MINIMUM THE NUMBER OF UNITED STATES FORCES IN THAILAND.

CLEARLY, THE PRESENT SITUATION IS HIGHLY UNSATISFACTORY TO BOTH OUR GOVERNMENTS. MY GOVERNMENT MUST MAKE CERTAIN FUNDAMENTAL DECISIONS REGARDING THE FUTURE OF THESE SERVICE CONTRACTS AT A REASONABLY EARLY DATE AND WE ARE FEARFUL THAT OUR INITIATIVES AT LOWER LEVELS OF THE ROYAL THAI GOVERNMENT WILL NOT PRODUCE A RESOLUTION OF THE CURRENT IMPASSE PRIOR TO THE TIME THOSE DECISIONS MUST BE MADE. I THEREFORE AM WRITING TO YOUR EXCELLENCY TO MAKE A PROPOSAL WHICH HOPEFULLY, WILL SETTLE PERMANENTLY THIS MATTER TO THE MUTUAL SATISFACTION OF BOTH PARTIES. I PROPOSE THAT WE UNDERTAKE THE FOLLOWING ACTIONS:

--THE ROYAL THAI GOVERNMENT WILL REAFFIRM SUPREME COMMAND HEADQUARTER'S EARLIER ASSURANCES THAT THE AMERICAN FIRMS PRESENTLY HOLDING THE THREE CONTRACTS IN QUESTION WILL BE ALLOWED TO CONTINUE TO PROVIDE THE SERVICES STIPULATED FOR THE DURATION OF THE CURRENT CONTRACTS, THAT AMERICAN PERSONNEL EMPLOYED BY THESE FIRMS WILL BE GIVEN VISA EXTENSIONS SUFFICIENT TO COVER THE PERIOD OF TIME THEIR SERVICES WILL CONTINUE TO BE REQUIRED, AND THAT CERTAIN HIGHLY SPECIALIZED TECHNICAL FUNCTIONS CAN CONTINUE.

--THE DEPARTMENT OF DEFENSE WILL CALL FOR NEW BIDS ON THE CONTRACTS FROM THAI ENTITIES, WITH THE NEW CONTRACTS TO BE AWARDED UPON THE EXPIRATION OF THOSE CURRENTLY HELD BY THE THREE AMERICAN FIRMS.

--THE ROYAL THAI GOVERNMENT AND THE UNITED STATES GOVERNMENT WILL UNDERTAKE TO NEGOTIATE AN AGREEMENT CONCERNING RELIEF OF THE UNITED STATES GOVERNMENT FROM THAI CUSTOMS AND TAXES LEVIED ON ACTIVITIES CONDUCTED IN FUTURE
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OF THE COMMON DEFENSE.

AN AGREEMENT SUCH AS I PROPOSE IS NOT WITHOUT PRECEDENT IN THE RELATIONS BETWEEN OUR TWO COUNTRIES. THE MILITARY ASSISTANCE AGREEMENT OF OCTOBER 17, 1950, AND THE MEMORANDUM OF AGREEMENT AS TO THE IMPLEMENTATION OF CONSTRUCTION PROJECTS UNDER UNITED STATES DIRECT FORCES SUPPORT PROGRAM (THE OICC AGREEMENT) OF APRIL 6, 1956, BOTH PROVIDE FOR CERTAIN MAJOR TAX EXEMPTIONS WHICH FOR A NUMBER OF YEARS COVERED MOST OF THE UNITED STATES MUTUAL DEFENSE ACTIVITIES IN THAILAND. A NEW AGREEMENT WOULD EXTEND THAT COVERAGE TO SUPPORT AND MAINTENANCE ASPECTS OF OUR DEFENSE ACTIVITIES, ASPECTS WHICH WERE NOT PURPOSELY EXCLUDED IN THE OLDER AGREEMENTS BUT RATHER WHICH WERE NOT ANTICIPATED.

I HAVE TAKEN THE LIBERTY OF ATTACHING TO THIS LETTER A

SUGGESTED TEXT OF SUCH AN AGREEMENT. IT IS SIMILAR TO AGREEMENTS WE HAVE WITH A NUMBER OF OTHER ALLIED NATIONS WHICH ARE HOST TO UNITED STATES MILITARY FORCES, INCLUDING THE NATO COUNTRIES, AS WELL AS JAPAN, THE REPUBLIC OF CHINA, THE REPUBLIC OF KOREA, AND THE PHILIPPINES, TO MENTION ONLY A FEW. I AND MY STAFF STAND READY TO DISCUSS THIS MATTER WITH YOUR EXCELLENCY'S DESIGNATED REPRESENTATIVES AT THEIR EARLIEST CONVENIENCE. IF YOUR EXCELLENCY IS AGREEABLE TO WHAT I HAVE SUGGESTED ABOVE, I PROPOSE THAT YOUR AFFIRMATIVE REPLY TO THIS LETTER CONSTITUTE THE ROYAL THAI GOVERNMENT'S AGREEMENT IN PRINCIPLE TO THE GRANTING OF RELIEF FROM THAI TAXATION ON US DEFENSE EXPENDITURES AND ACTIVITIES IN THAILAND TO BE FOLLOWED BY JOINT THAI-UNITED STATES CONSIDERATION OF LANGUAGE FOR AN AGREEMENT RESOLVING THIS MATTER TO OUR MUTUAL SATISFACTION. SINCERELY, WILLIAM R. KINTNER.

3. BEGIN TEXT OF DRAFT AGREEMENT TO BE ENCLOSED WITH LETTER: AGREEMENT BETWEEN THE ROYAL THAI GOVERNMENT AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING RELIEF OF THE GOVERNMENT OF THE UNITED STATES FROM THAI CUSTOMS DUTIES AND TAXES.

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WHEREAS, THE ROYAL THAI GOVERNMENT AND THE UNITED STATES GOVERNMENT HAVE SIGNED THE MILITARY ASSISTANCE AGREEMENT ON OCTOBER 17, 1950;

AND WHEREAS, THE TWO GOVERNMENTS HAVE FURTHER SIGNED THE MEMORANDUM OF AGREEMENT CONCERNING IMPLEMENTATION OF CON-

STRUCTION PROJECTS UNDER US DIRECT FORCES SUPPORT
PROGRAM, DATED APRIL 6, 1956;

AND WHEREAS, THE TWO GOVERNMENTS HAVE NOW FURTHER AGREED
TO THE PRINCIPLE THAT THE UNITED STATES GOVERNMENT'S
EXPENDITURES FOR MUTUAL SECURITY, INCLUDING UNITED STATES
GOVERNMENT EXPENDITURES FOR ASSISTANCE TO THE ROYAL THAI
GOVERNMENT AND UNITED STATES MILITARY ACTIVITIES IN
THAILAND, SHOULD NOT BE SUBJECT TO DIRECT OR INDIRECT
TAXATION BY THE ROYAL THAI GOVERNMENT, INCLUDING ANY
POLITICAL SUBDIVISION OR ENTITY THEREOF;

THEREFORE, THE ROYAL THAI GOVERNMENT ACTING THROUGH THE
MINISTRY OF DEFENSE AND THE
UNITED STATES GOVERNMENT
ACTING THROUGH THE COMMANDER UNITED STATES MILITARY
ASSISTANCE COMMAND, THAILAND, IN THE APPLICATION OF THE
FOREGOING PRINCIPLE, HAVE REACHED THE FOLLOWING UNDER-
STANDINGS WITH REGARD TO SUCH EXPENDITURES AND
ACTIVITIES:

THE ROYAL THAI GOVERNMENT WILL GRANT EXEMPTION FROM THAI
TAXES, CUSTOMS DUTIES, AND OTHER CHARGES ON ALL UNITED
STATES MILITARY ACTIVITIES AND ON ALL UNITED STATES
GOVERNMENT EXPENDITURES FOR MATERIALS, EQUIPMENT, GOODS,
SUPPLIES, SERVICES, AND FACILITIES IMPORTED INTO,
ACQUIRED WITHIN, OR EXPORTED FROM THAILAND BY OR ON BEHALF
OF THE UNITED STATES GOVERNMENT FOR DEFENSE PURPOSES.
THE TAXES, CUSTOMS DUTIES, AND OTHER CHARGES FROM WHICH
TAX RELIEF IS GRANTED SHALL INCLUDE IMPORT AND EXPORT
TAXES AND DUTIES, EXCISE TAXES, BUSINESS TAXES, MUNICIPAL
TAXES, REALTY TAXES, RENTAL TAXES, AND SUCH OTHER IDENTIFI-
FIABLE TAXES OR CHARGES WHICH ARE EITHER ASSESSED
DIRECTLY AGAINST THE UNITED STATES GOVERNMENT OR ITS
ACTIVITIES, OR ADDED TO THE COST OF MATERIALS, EQUIPMENT,
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GOODS, SUPPLIES, SERVICES, OR FACILITIES SO THAT THE
ECONOMIC BURDEN OF THE TAXES OR CHARGES WOULD OTHERWISE
BE ULTIMATELY BORNE BY THE UNITED STATES GOVERNMENT.

THE UNITED STATES GOVERNMENT AND THE ROYAL THAI GOVERNMENT
WILL COOPERATE AND WILL TAKE APPROPRIATE MEASURES WITH A
VIEW TO ENSURING THE EFFECTIVE APPLICATION OF THE
PRINCIPLE EXPRESSED IN THIS AGREEMENT. THE TWO
GOVERNMENTS WILL EACH
DESIGNATE A COORDINATING OFFICE TO
ENSURE THE EFFICIENT APPLICATION OF THE TERMS OF THIS
AGREEMENT.

THE ROYAL THAI GOVERNMENT WILL TAKE ALL STEPS NECESSARY,
WHETHER LEGISLATIVE, ADMINISTRATIVE, OR OTHER TO IMPLEMENT

ITS DECISION, BY THIS AGREEMENT, TO GRANT TAX RELIEF TO
THE UNITED STATES GOVERNMENT.

WITH RESPECT TO ANY TAXES OR DUTIES OR FEES OF THE ROYAL
THAI GOVERNMENT NOT SPECIFICALLY REFERRED TO IN THIS
AGREEMENT, OR WHICH MAY BE SUBSEQUENTLY INSTITUTED IN
THAILAND, WHICH MIGHT BY MUTUAL AGREEMENT BE FOUND
APPLICABLE TO THE ABOVE-MENTIONED
EXPENDITURES OR ACTIVI-
TIES OF THE UNITED STATES GOVERNMENT, THE TWO GOVERNMENTS
WILL AGREE UPON PROCEDURES WITH THE PURPOSE OF MAKING
AVAILABLE AN EXEMPTION OR OTHER APPROPRIATE TAX RELIEF
THEREFROM, CONSISTENT WITH THE UNDERSTANDING HEREIN
CONTAINED.

THIS AGREEMENT SHALL ENTER INTO FORCE UPON SIGNATURE BY
THE TWO PARTIES. (SIGNATURES)

FOR THE ROYAL THAI GOVERNMENT.

FOR THE GOVERNMENT OF THE UNITED STATES. END TEXT OF
DRAFT AGREEMENT. END UNCLASSIFIED. KISSINGER UNQUOTE
KISSINGER

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<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE012468
Document Source: ADS
Document Unique ID: 00
Drafter:
Enclosure: n/a
Executive Order: 11652 GDS
Errors: n/a
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750189/baaaagnn.tel
Line Count: 404
Locator: TEXT ON-LINE
Office: ORIGIN EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 29 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 APR 2003 by ElyME>; APPROVED <20 NOV 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: MARR, TH
To: CINCPAC
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006